TN Department of
Labor & Workforce
Development

Workforce Services Policy – Key Performance Indicators (KPI)

Executive Summary

1. What is the general purpose of this policy?

The purpose of this policy is to establish key performance indicators (KPIs) as hard targets and to define the KPI performance period. Tennessee's KPIs demand streamlined service delivery and quality collaboration among all workforce partners. Each year, the latest set of KPI metrics are approved by the State Workforce Development Board (SWDB). Each quarter, the SWDB reviews KPI achievement- fostering sustained excellence, improved outcomes, and the promotion of workforce services to the greatest number of individuals with significant barriers to employment (SBE).

2. What are the notable guidelines conveyed within this policy?

- Roles and responsibilities of the SWDB, SWDB staff, Regional Planning Councils, and LWDBs.
- Monitorization, including the introduction of the KPI assessment weight and KPI achievement scale monitoring tools.

3. Have there been any changes since the last policy? If so, describe the modification(s).

No, this is a new policy.

4. What must the Local Workforce Development Board do to meet the requirements of this policy?

- Propose KPI target proposals to SWDB staff on an annual basis.
- Actively participate in peer-to-peer learning and quarterly state-issued technical assistance in order to promote sustained achievement.
- Proactively minimize ineffective service delivery and maximize opportunities for future growth.

5. How does this policy affect the workforce system?

This policy established KPIs as hard targets. By quantifying and monitoring the achievement of state goals, Tennessee is in a better position to become the best public workforce system in the nation.

STATE OF TENNESSEE
State Workforce Development Board
220 French Landing Drive, 4A
Nashville, TN 37243-1002
(615) 741-0409

Workforce Services Policy – Key Performance Indicators

Effective Date: June 18, 2021

Duration: June 30, 2023

Purpose:
The purpose of this policy is to establish key performance indicators (KPIs) as hard targets and to define the KPI performance period. Tennessee's KPIs demand streamlined service delivery and quality collaboration among all workforce partners. Each year, the latest set of KPI metrics are approved by the State Workforce Development Board (SWDB). Each quarter, the SWDB reviews KPI achievement-fostering sustained excellence, improved outcomes, and the promotion of workforce services to the greatest number of individuals with significant barriers to employment (SBE).

Scope:
Office of the Governor, Tennessee Department of Labor and Workforce Development (TDLWD); Division of Workforce Services (WFS); Tennessee Department of Economic and Community Development (TNECD); Tennessee Department of Education (TDOE); Tennessee Department of Human Services (DHS); State Workforce Development Board (SWDB); Title I – Adult, Dislocated Worker, and Youth Programs, Title II – Adult Education and Family Literacy Act Program(AE); Title III – Wagner-Peyser Act Program (WP); Title IV – Vocational Rehabilitation Program (VR); Regional Planning Council (RPC); Local Workforce Development Boards (LWDB); Local Workforce Development Areas (LWDA); American Job Center (AJC); One-Stop Operator (OSO); Workforce System Sub-Recipients (Sub-Recipients); Workforce System Partners (Partners)

Background:
To become the best public workforce system in the nation, KPIs quantify and track Tennessee's implementation of the Workforce Innovation and Opportunity Act (WIOA).

KPIs foster:
- Increased access to education, training, and employment- particularly for people with significant barriers to employment.
- A comprehensive, high-quality workforce development system by aligning workforce investment, education, and economic development.
- Improvement in the quality and labor market relevance of workforce investment, education and economic development efforts.
- Improvement in the structure and delivery of services.
- Increased family-sustaining employment, meet employer need, and enhance the productivity and competitiveness of Tennessee.

I. **Key Performance Indicator (KPI) Scope:**
The following are lists of KPI subjects. Key performance indicators are designed to deal with all WIOA programs, SBE groups and the connections between them. These lists are not exhaustive. Programs, groups, or sub-groups may be added or removed in alignment with state, regional, and local priorities.
   A. **Programs:**
   Business Solutions
   Jobs for Veterans State Grants
   Reemployment Services and Eligibility Assessment
   Senior Community Service Employment Program
   SNAP Employment and Training
   Temporary Assistance for Needy Families (TANF)
   Trade Adjustment Assistance
   WIOA Title I - Adult and Dislocated Worker and Youth
   WIOA Title II - Adult Basic Education and Integrated English Language and Civics Education
   WIOA Title III - Wagner-Peyser
   WIOA Title IV – Vocational Rehabilitation
   YouthBuild
   B. **Significant Barrier to Employment Groups:**
   Individuals with SBEs include the fourteen (14) populations of:
   - Displaced homemakers[1]
   - Low-income individuals or recipients of income-based public assistance[2]
   - Native Americans[3]
   - Individuals with mental or physical disabilities, including the recipients of Social Security Disability Insurance[4]
   - Those age 55 and older[5]
   - Justice-involved individuals[6]
   - Individuals experiencing or have experienced homelessness[7]
   - Youth in or have aged out of the foster care system

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[1] WIOA Section 3(16)

[2] WIOA Section 3(36)

[3] WIOA Section 166(b)

[4] WIOA Section 3(25)

[5] WIOA Section 3(39)

[6] WIOA Section 3(38)

[7] 'Homeless individual' is defined in the Violence Against Women Act of 1994 Section 41403(6); 'Homeless children and youths' is defined in the McKinney-Vento Homeless Assistance Act Section 725(2)

- Individuals who are:
  - English language learners[8]
  - Individuals who have low levels of literacy – unable to compute or solve problems, or read, write, or speak English at a level necessary in order to function on the job, in an individual's family, or in society
  - Individuals facing substantial cultural barriers – participants, at program entry, perceives themselves as possessing attitudes, beliefs, customs, or practices that influence a way of thinking, acting, or working that may serve as a hindrance to employment including non-traditional employment[9]
- Eligible migrant and seasonal farmworkers[10]
- Individuals within two years of exhausting lifetime TANF eligibility
- Single parents – including pregnant women
- Long-term unemployed – unemployed for 27 or more consecutive weeks[11]
- Other groups as the Governor determines to have barriers to employment

II. Key Performance Indicator Roles and Responsibilities:

A. Roles and Responsibilities

The following identifies roles and responsibilities relating to KPIs:

1. State Workforce Development Board (SWDB):
- Provides the strategic vision for Tennessee's public workforce system
- Upon review of SWDB staff recommendation, determines state annual KPI targets
- Approves quarterly and annual KPI targets
- Monitors, on a quarterly basis, KPI achievement

2. State Workforce Development Board Staff (SWDB Staff):
- Recommend state target guidelines and for each KPI measuring device
- Following the KPI negotiations, submit a KPI target proposal to the SWDB
- Divides annual state target guidelines into Grand Planning Regions
- Reviews and analyzes LWDB staff KPI target proposals
- Leads KPI target negotiations with LWDB staff
- Runs and analyzes targeted KPI reports to identify trends, best practices, and areas for significant improvement
- Facilitates and leads KPI-related technical assistance
- Recommends the adoption or revision of piloted or established KPI measuring devices
- Analyzes the efficiency of WIOA funds in relation to KPIs
- Provides opportunities for improvement using monitoring, sanctions, and corrective action
- Creates public facing KPI dashboards

3. Regional Planning Councils:
- Identify and respond to regional strengths, weaknesses, opportunities, and threats
- Make a proposal to LWDBs on how best to divide regional KPI guidelines into LWDAs

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[8] WIOA Section 203(7)

[9] WIOA Section 3(37)

[10] WIOA Section 167(i)(1-3)

[11] As defined by the United States Bureau of Labor Statistics' Current Population Survey

4. **Local Workforce Development Boards (LWDB):**
   - Consider the KPI target proposal of the respective Regional Planning Council before independently submitting quarterly proposed KPI targets to SWDB staff for review
   - The Executive Director negotiates KPI targets with SWDB staff
   - Following KPI negotiation, submit a KPI target proposal to the SWDB staff

III. KPI Performance Period:

A. Beginning July 1, 2021, KPIs in **Attachment 1** will become "hard targets". Failure to achieve the hard targets will affect the LWDB performance and potential funding.

B. KPI Performance Periods:
   - Quarter 1: July 1 – September 30
   - Quarter 2: October 1 – December 31
   - Quarter 3: January 1- March 31
   - Quarter 4: April 1 -June 30
   - Year: July 1 – June 30

C. The following are key dates for the establishment of KPI targets for the performance year:
   - February 1: SWDB staff issues annual target guidelines to the Regional Planning Councils.
   - March 1: LWDBs submit proposed quarterly and annual targets to the SWDB staff.
   - March 15 -March 31: Negotiations occur between LWDB staff and SWDB staff.
   - May 15: All WIOA Assistant Commissioners and LWDB Chairs submit all proposed annual and quarterly KPI targets for the performance period to the SWDB for approval.

IV. Monitoring and Technical Assistance:

The KPI assessment weight and the KPI achievement scale are the two tools for KPI evaluation. SWDB staff use these tools to monitor each KPI measuring device and rapidly implement a graded response in accordance with each KPI achievement level and subject-matter expertise.

A. Assessment Weight:

The KPI assessment weight tool outlines the percentage each evaluation period is valued relative to the final KPI score. As shown in the table below, each period of evaluation is weighted equally at 20 percent- requiring year-round excellence.

Evaluation Period	Weight
Quarter 1	20%
Quarter 2	20%
Quarter 3	20%
Quarter 4	20%
Annual	20%
Total	**100%**

B. Achievement Scale:

As indicated below, the KPI assessment scale tool has six (6) levels of KPI achievement. This tool rapidly identifies best practices and opportunities for improvement. By evaluating the achievement of each KPI measuring device, SWDB staff responses can be prioritized to improve efficiency and strategic alignment. Each KPI measuring device will measure each program and SBE group.

Achievement Levels
0- Unacceptable
1- Needs Significant Improvement
2- Needs Improvement-
3- Approaching Target
4- Target achieved
5- Best practice- significantly above target

If the achievement of a KPI measuring device is determined to be either "'unacceptable", "needs significant improvement" or "needs improvement"- those devices are required for corrective action as outlined within the *Sanctions for Failure to Meet Federal and State Standards* policy. This achievement group requires significant assistance to achieve state, regional, and local goals.

The appropriate response to KPI measuring devices within the "approaching target" achievement level should be dictated in part due to a trend analysis. The KPI measuring devices within this group may have fluctuated and may be subject to sanctions. This achievement group should minimize ineffective methods in service delivery and maximize opportunities for future growth.

Monitoring conducted through annual reviews of fiscal and program requirements will inform the corrective action process if the reviews result in a finding(s). After the monitoring review is conducted, an exit conference will be scheduled with the sub-recipient to discuss any findings or observations. An official written report will follow the exit conference to list out the findings and/or observations. This report will provide instruction on how, where, and when to submit a corrective action plan. The written report will be sent to the sub-recipient within thirty (30) business days from the exit conference. After the report is received by the sub-recipient, they will have thirty (30) business days to submit that information to Workforce.Board@tn.gov. Any communication regarding the submitted Corrective Action Plan will need to be responded to within thirty (30) business days.

KPI measuring devices that are either "target achieved" or "significantly above target" are the most likely sources of best practices. Peer-to-peer learning and further improved coordination among WIOA partners should be encouraged to attain better or more reliable attainment of KPI targets.

For example:
LWDA X has a Title I Adult KPI goal of 180 new enrollments, with the program-specific achievement thresholds as listed in the table below.

Achievement Levels	Thresholds
0- Unacceptable	0 to 20%
1- Needs Significant Improvement	21 to 50%
2- Needs Improvement-	51 to 70%
3- Approaching Target	71 to 90%
4- Target achieved	91 to 110%
5- Best practice- significantly above target	110%+

Evaluation Period	Target	Actual	Percentage	Weight	Title I Adult KPI Score	Achievement Level
Quarter 1	40	35	87.5%	20%	17.5	Approaching Target (3)
Quarter 2	40	30	75.0%	20%	15.0	Approaching Target (3)
Quarter 3	60	45	75.0%	20%	15.0	Approaching Target (3)
Quarter 4	40	50	125.0%	20%	25.0	Best Practice (5)
Annual	180	160	88.0%	20%	17.6	Approaching Target (3)
				100%	90.2	**Approaching Target**

Accompanying this evaluative process is the proactive provision of comprehensive quarterly technical assistance (TA). This TA prioritizes all state, regional, and local strategic goals, fosters the promotion of best practices, and provides opportunities for further collaboration among geographic areas and workforce partners.
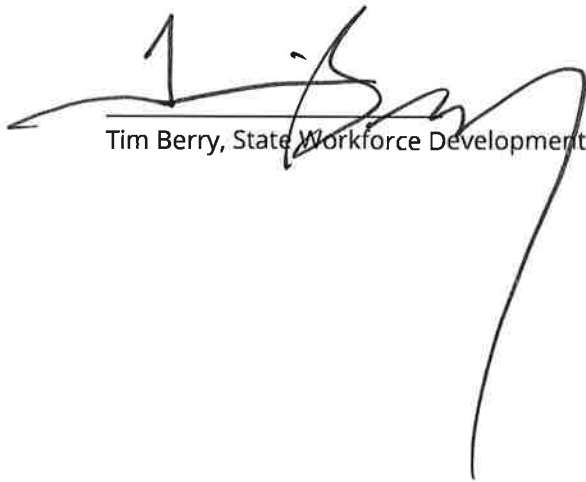
In combination with fiscal and compliance-based metrics, high levels of KPI achievement indicate high achieving LWDBs which may be eligible to receive performance-based incentive contracts.

Attachments:
Attachment 1: Negotiated Key Performance Indicator Targets

Contact:
For any questions related to this policy, please contact the Program Integrity Unit at Workforce.Board@tn.gov.

Tim Berry, State Workforce Development Board Chair

Key Performance Indicators
Proposed Targets- Program Year 2021

July 1st, 2021 to June 30th, 2022

TN Tennessee State Government
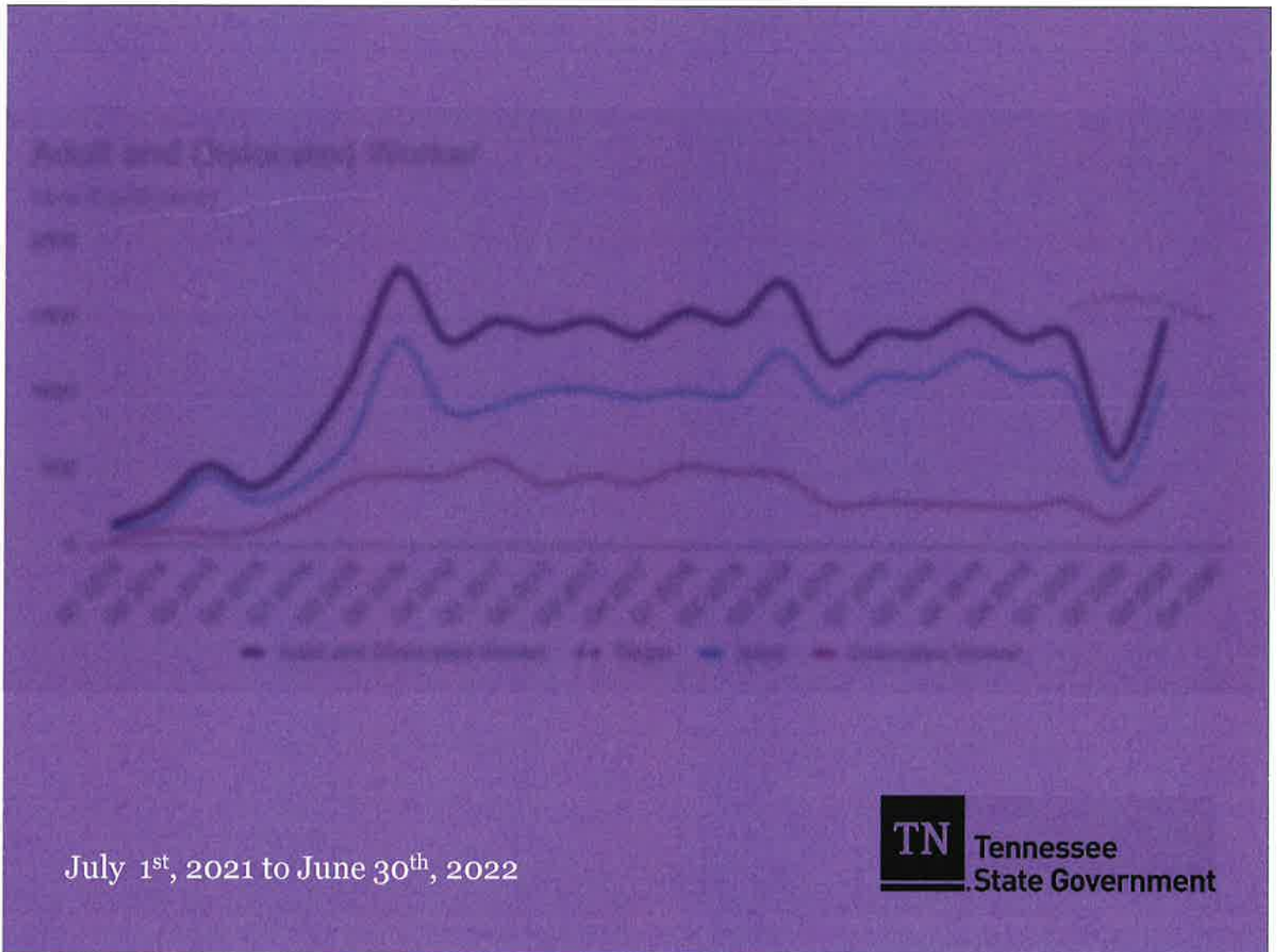
Objectives

1. Increase access to education, training, and employment- particularly for people with significant barriers to employment.
2. Create a comprehensive, high-quality workforce development system by aligning workforce investment, education, and economic development.
3. Improve the quality and labor market relevance of workforce investment, education, and economic development efforts.
4. Promote improvement in the structure and delivery of services.
5. Increase economic self-sufficiency, meet employer need, and enhance the productivity and competitiveness of Tennessee.

Program Year 2021 Key Performance Indicator Information

Key Performance Indicators (KPIs) quantify these objectives and to track Tennessee's forward progress in becoming "the best public workforce system in the nation." There are twelve (12) KPIs for July 1, 2021 through June 30, 2022. Transitioning from the calendar year to the program year better aligns with strategic timelines and creates the opportunity for efficiency-based measuring devices. Each KPI shall be reviewed on a quarterly basis by the State Workforce Development Board.

Scope and Measure

Adult, Dislocated Worker, and National Dislocated Worker: new enrollments.
Apprenticeship: total apprentices.
Adult Basic Education: new enrollments.
Integrated English Language and Civics Education: new enrollments.
Jobs for Veterans: new enrollments.
Justice-Involved Individuals: new enrollments.
Reemployment Services: co-enrollments.
Senior Employment: exits resulting in unsubsidized employment.
SNAP Employment and Training: new enrollments.
Trade Adjustment Assistance: co-enrollment rate with Title I Dislocated Worker.
Wagner-Peyser: new enrollments.
Youth: new enrollments.

For additional information, please see the Tennessee Department of Labor and Workforce Development Workforce Services' **Key Performance Indicator Policy**, currently in draft pending the approval of the State Workforce Development Board:
https://adobe.ly/2QaQ2zU

Program Year 2021 Targets July 1, 2021 through June 30, 2022	Tennessee	Northwest	Greater Memphis	Southwest	Northern Middle	Upper Cumberland	Southern Middle	Northeast	East	Southeast	Grand West	Grand Middle	Grand East
Adult, Dislocated Worker, and National Dislocated Worker - New Enrollment	4,607	296	997	249	995	246	291	214	910	409	1,542	1,532	1,533
July 1 to September 30	1213	110	175	62	298	62	58	62	271	115	347	418	448
October 1 to December 31	1042	69	255	62	199	61	73	62	168	93	386	333	323
January 1 to March 31	1179	51	285	63	249	62	87	51	222	109	399	398	382
April 1 to June 30	1173	66	282	62	249	61	73	39	249	92	410	383	380
Apprenticeship *Total Apprentices- March 2021*	8,288	327	1,047	79	2,908	34	36	799	1,630	1,428	1,453	2,978	3,857
Jobs for Veterans *New Enrollment*	440	19	33	24	146	23	27	35	97	36	76	196	168
July 1 to September 30	119	3	7	6	37	6	7	10	34	9	16	50	53
October 1 to December 31	106	5	8	6	36	6	7	9	20	9	19	49	38
January 1 to March 31	107	5	9	6	36	6	6	8	22	9	20	48	39
April 1 to June 30	108	6	9	6	37	5	7	8	21	9	21	49	38
Justice-Involved Individuals *New Enrollment*	1,732	104	212	71	294	49	82	87	213	117	541	595	596
Adult Education	503										154	170	179
July 1 to September 30	145										42	56	47
October 1 to December 31	113										38	39	36
January 1 to March 31	132										36	39	57
April 1 to June 30	113										38	36	39
Title I and Wagner-Peyser	1,229	104	212	71	294	49	82	87	213	117	387	425	417
July 1 to September 30	318	30	53	18	74	12	21	29	53	28	101	107	110
October 1 to December 31	310	22	53	17	73	12	25	25	54	29	92	110	108
January 1 to March 31	293	22	53	17	74	12	15	18	53	29	92	101	100
April 1 to June 30	308	30	53	19	73	13	21	15	53	31	102	107	99
Reemployment Services *Co-enrollment*	268	34	28	23	73	28	13	19	30	20	85	114	69
July 1 to September 30	71	9	7	6	18	7	2	6	11	5	22	27	22
October 1 to December 31	63	8	7	6	19	7	1	4	6	5	21	27	15
January 1 to March 31	69	8	7	5	18	7	6	6	7	5	20	31	18
April 1 to June 30	65	9	7	6	18	7	4	3	6	5	22	29	14
SNAP Employment and Training *New Enrollment*	2,543	98	488	213	630	150	141	215	454	154	799	921	823
July 1 to September 30	712	24	122	54	158	38	41	67	166	42	200	237	275
October 1 to December 31	590	25	122	53	157	36	30	42	90	35	200	223	167
January 1 to March 31	636	25	122	53	158	38	35	60	103	42	200	231	205
April 1 to June 30	605	24	122	53	157	38	35	46	95	35	199	230	176

Program Year 2021 Targets July 1, 2021 through June 30, 2022	Tennessee	Northwest	Greater Memphis	Southwest	Northern Middle	Upper Cumberland	Southern Middle	Northeast	East	Southeast	Grand West	Grand Middle	Grand East
Trade Adjustment Assistance Co-enrollment with Dislocated Worker	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
July 1 to September 30	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
October 1 to December 31	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
January 1 to March 31	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
April 1 to June 30	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

TAA's KPI applies only to TAA participants with an entry date on or after 9/1/2020

Wagner-Peyser New Enrollment	Tennessee	Northwest	Greater Memphis	Southwest	Northern Middle	Upper Cumberland	Southern Middle	Northeast	East	Southeast	Grand West	Grand Middle	Grand East
	20,523	989	3,064	678	3,851	694	964	2,427	4,475	3,381	4,731	5,509	10,283
July 1 to September 30	5,421	239	850	91	787	173	241	607	1,588	845	1,180	1,201	3,040
October 1 to December 31	4,874	272	785	195	855	173	241	607	901	845	1,252	1,269	2,353
January 1 to March 31	5,413	272	750	196	1,296	174	241	606	1,033	845	1,218	1,711	2,484
April 1 to June 30	4,815	206	679	196	913	174	241	607	953	846	1,081	1,328	2,406

Youth New Enrollment	Tennessee	Northwest	Greater Memphis	Southwest	Northern Middle	Upper Cumberland	Southern Middle	Northeast	East	Southeast	Grand West	Grand Middle	Grand East
	1,752	78	397	111	403	120	115	83	304	141	586	638	528
July 1 to September 30	505	20	100	32	121	30	34	32	96	40	152	185	168
October 1 to December 31	403	14	97	25	100	29	29	20	56	33	136	158	109
January 1 to March 31	408	17	100	23	81	31	23	24	75	34	140	135	133
April 1 to June 30	436	27	100	31	101	30	29	7	77	34	158	160	118

Program Year 2021 Targets July 1, 2021 through June 30, 2022	Tennessee	Grand West	Henderson Co. Schools	Hopeworks Inc	Jackson State CC	TCAT Ripley	Tipton Co. Schools	Weakley County	Grand Middle	Putnam County Schools	South Central Workforce Alliance	Volunteer State	Workforce Essentials	Grand East	Northeast State CC	TCAT Athens	TCAT Knoxville
			GM SW	GM	NW SW	GM	GM	NW		UC	SM	NM	NM		NE	SE	ET
Adult Basic Education New Enrollment	9,737	2,719	300	1,672	278	89	132	248	3,263	700	687	194	1,682	3,755	705	1,200	1,850
July 1 to September 30	2554	713	83	418	80	19	33	80	836	150	192	51	443	1005	230	375	400
October 1 to December 31	2305	683	79	418	71	20	33	62	822	200	172	51	399	800	100	300	400
January 1 to March 31	2650	652	79	418	53	25	33	44	813	200	152	46	415	1185	210	325	650
April 1 to June 30	2228	671	59	418	74	25	33	62	792	150	171	46	425	765	165	200	400

Program Year 2021 Targets July 1, 2021 through June 30, 2022	Tennessee	Grand West	Hopeworks IELCE	Grand Middle	NICE	South Central Workforce Alliance	Workforce Essentials	Grand East	TCAT Knoxville
			GM		NM	SM	NM		ET
Integrated English and Civics Education New Enrollment	1,148	264	264	733	480	123	130	151	151
July 1 to September 30	431	66	66	328	230	33	65	37	37
October 1 to December 31	259	66	66	156	100	30	26	37	37
January 1 to March 31	245	66	66	139	80	30	29	40	40
April 1 to June 30	213	66	66	110	70	30	10	37	37

Program Year 2021 Targets July 1, 2021 through June 30, 2022	Tennessee	Meritan	Southwest HRA	TNCSA	The Career Team	First TN HRA	East TN HRA
		GM	SW	NW NM	UC	NE	ET
Senior Employment Exits into Unsubsidized Employment	35	10	4	6	4	5	6
July 1 to September 30	8	2	1	1	1	1	2
October 1 to December 31	9	3	1	2	1	1	1
January 1 to March 31	9	3	1	1	1	1	2
April 1 to June 30	9	2	1	2	1	2	1